

Minutes of the Extraordinary Shareholders' Meeting No.1/2014

of

Simat Technologies Public Co., Ltd.

Tuesday August 26<sup>th</sup>, 2014

At the main conference room of Simat Technologies Public Company Limited, 123 Soi Chalongsong 31,  
Ladkrabang industrial estate, Lamplatew sub-district, Ladkrabang district, Bangkok

\*\*\*\*\*

The Meeting started at 10.30 O'clock.

Mr. Thammanoon Korkiatwanich, Company Secretary, clarified to the meeting that according to the Company's regulation no. 41 stated that the Chairman of the board of directors acts as the chairman of the AGM. In case that the Chairman is absent or not able to perform duty, the deputy chairman shall be assigned to perform as the Chairman of AGM. Mr. Tan Bak Hong, Chairman, is the Malaysian and cannot perform his duty as he cannot communicate in Thai language therefore Mr. Thongkam Manasilapapan, Deputy Chairman, is assigned to perform as the Chairman of this AGM.

Mr. Thongkam had the welcome speech to the meeting attendants and introduced the Board of Director members, Executive Management Committee and the Company's auditor to the meeting as follows:

There are 8 directors attended the meeting as follows:

- |                                    |                      |
|------------------------------------|----------------------|
| 1. Mr. Tan Bak Hong                | Chairman             |
| 2. Mr. Thongkam Manasilapapan      | Deputy Chairman      |
| 3. Mr. Thammanoon Korkiatwanich    | Director             |
| 4. Mr. Nattawut Pinto              | Director             |
| 5. Phd. Ranchana Rajatanavin       | Independent Director |
| 6. Mr. Narongrit Rirkpatthanapipat | Independent Director |
| 7. Mr. Vorachai Charoonprasitporn  | Independent Director |
| 8. Ms. Kanwara Aurlpokaiyakul      | Independent Director |

The directors who did not join the meeting are Mr. Tan Bak Leng and Mr. Tan Chuan Hock

The Chairman informed the meeting that the total number of shareholders of the Company is 2,495 persons or counted as 333,394,704 shares (according to the list of shareholders who may exercise their rights and participate in the AGM and the shareholders' registration book-closing on August 5, 2014). For this meeting, the number of shareholders who attend the meeting by themselves is 27 persons and the number of shareholders who appoint a proxy to attend the meeting is 9 persons so the total number of shareholders who

attended the meeting is 36 persons or counted as 154,194,930 shares or computed as 46.25 % of the total paid-up share capital of 333,394,704 shares constituting a quorum according to the Company's Articles of Association then the meeting started.

The Chairman assigned Mr. Thammanoon to clarify the meeting regarding to the voting and counting vote method.

Mr. Thammanoon clarified the meeting about the voting method and the counting vote method in each agenda in order to make clear to the shareholders as follows:

- Shareholders are entitled to voting rights according to the number of shares they have, one share per one vote. In case there is an equality vote, the Chairman shall have the right to vote an additional vote as the final judge.
- The resolution of the shareholders' meeting shall require majority of votes of shareholders who attends the meeting and has the right to vote except any other matter specified by law.
- The counting of vote at any resolution in the meeting  
For shareholders who attend the meeting by themselves, to use the voting card to make a tick mark on "Approved", "Disapproved" or "Abstained" and send the card to the officer for counting of votes.  
For shareholders who appoint a proxy to attend the meeting and make the vote in advance, the Company will collect those votes for each approved votes, disapproved votes or abstained votes together with the votes from shareholders who attend the meeting by themselves.
- To run the meeting conveniently and quickly, the Chairman proposed the shareholders who want to vote for "Disagree" or "Abstain" to raise their hand then the officer will collect their voting card and for those who want to vote for "Agree" then no need to raise their hand and submit the voting card.
- In order to run the meeting transparently and comply with the good practice of AGM by Securities and Exchange Commission, the Company assigned the lawyer firm, "Law TST Company Limited" with 3 lawyers, to be in charge of proceeding the AGM transparently and to comply with law and the Company's Articles of Association.

Then the Chairman started the meeting following the agendas as specified in the invitation letter to EGM No.1/2014 as follows:

**Agenda 1: To consider and adopt the Minutes of the Annual General Meeting of Shareholders 2014**

The Chairman proposed the Meeting to consider and adopt the Annual General Meeting of Shareholders 2014 on April 28, 2014. The minutes of such meeting is appended as Attachment 1 and sent to the Stock Exchange of Thailand and the Ministry of Commerce within the period of time set by law and also available on the Company's web site as per details in Attachment 1.

The Board of Director agreed that the minute was recorded accurately.

The Chairman asked the shareholder for those who want to vote for “Disagree” or “Abstain” to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	153,145,459 votes, or 100%
Disapproved	0 votes, or 0%
Abstained	0 votes, or 0%

In Agenda 1, there were 25 shareholders attended the meeting by themselves and 8 shareholders attended the meeting by proxy. The total number of shareholders who attended the meeting is 33 persons or counted as 153,145,459 shares

**Resolution:** The meeting unanimously resolved that the minutes of the Extraordinary Shareholder’s Meeting No.1/2014 be approved as proposed.

**Agenda 2: To consider and approve the adjustment of the exercise price and ratio of the warrants to purchase the Company’s common share (SIMAT-W1) for the last exercise**

The Chairman asked Mr. Thammanoon Korkiatwanich, Company secretary, clarified to the meeting. Mr. Thammanoon clarified that from the annual shareholder’s meeting for the year 2014 held on April 28, 2014, the meeting resolved to approve the share dividend at ratio of 10 existing shares for 1 share dividend or not exceed 30,216,235 shares which result to adjustment of right of SIMAT-W1 according to the Warrant Covenants of Rights and Duties of the issuer and holder of warrant no. 4 (d) when the Company makes a partial or whole stock dividend payment to shareholders. The change of exercise price and ratio was taken effect since May 6, 2014 with the exercise price after adjustment of 0.9201 Baht per share and the exercise ratio after adjustment of 1.6303 shares per 1 warrant unit.

Later, on June 30, 2014, there were 6 warrant holders to exercise the warrant for 327,600 units with the exercise price and ration that take effect on May 6, 2014. When the Company engaged the register of share paid for 534,084 shares, the exercise price from adjustment from the share dividend at 0.9201 baht per share is less than the par value of common share (1 baht per share). The issuance of new share with the price lower than the par value is not allowed by the Public Company Act B.E. 2535 section 52 which stated “The company which has operating loss shall offer new share at price lower than the par value” however, the Company has operating profit so the Company is not able to issue new share at price lower than the par value. To register the new shares for those warrant holders, the Director, Mr. Thongkam Manasilapapan, transferred money for the shortfall

of 42,673 baht (no. of shares arises from exercise 534,084 shares x 0.0799 baht per share) to the Company's subscription bank account for compensation to the warrant holders.

To perform the last exercise of SIMAT-W1 on August 28, 2014, accurately and appropriately, the Board of Director approves to adjust the new exercise price and ratio appropriately and in compliance with the Covenants of Rights and Duties of the issuer and holder of warrant as below.

According to the covenants no. 4 (i) regarding to the adjustment of exercise price that lower than the par value stated as below.

"No. 4 (i), in such case that the change in exercise price may make the new exercise price lower than the par value of the ordinary share, the exercise price shall be used except in case there is a law to not allow the Company to issue share at price lower than the par value then the par value shall be used as the new exercise price. However, the new exercise ratio shall be based on the calculation according to a) – f)."

The Board of Director approved to adjust the exercise price to 1.00 baht per share or equal to the par value of common share. While, the existing exercise ratio at 1.6303 shares per 1 unit of warrant, which is calculated according to the covenants no. 4 (d) arises from the issuance of share dividend, shall reduce the warrant holder's right and benefit because the holder shall pay more from 0.9201 baht per share to 1.00 baht per share. Therefore, the Board of Director and the financial advisor considered to adjust the new exercise ratio to retain the benefit of the warrant holder from this event according to the covenants no. 4 (f) stated as below.

"No. 4 (f) In case that there are events not mentioned in clauses (a) – (e) that may impair the benefits of the warrant holders, the warrant issuer and the financial advisor will co-consider to determine the adjustment of ratio and price of the warrants that will not make any impairment to the benefits of the warrant holders and then inform to SEC within 15 days since the date that the event occurs."

According to the covenants no. 4 (f), the Board of Director and the financial advisor determined the new exercise ratio to compensate the warrant holders from the new exercise price at 1.00 baht per share and the details of new exercise ratio is as below.

Price 0 : The old exercise price before adjustment = 0.9201 baht per share

Price 1 : The new exercise price according to the covenants no. 4 (i) = 1.00 baht per share

MP : Weighted average market price of the company's ordinary share traded in the Stock Exchange during seven consecutive business days before the date of calculation (Board meeting date) = 5.2136 baht per share

Ratio 0 : The old exercise ratio before adjustment = 1.6303 shares per 1 unit of warrant

Warrant: The number of outstanding warrants = 16,705,543 units

The number of new common shares to be allotted to compensate to the warrant holders equals to 516,442 shares (Share 1). The warrant holders pay additional money of 2,176,080 baht  $((1.00 - 0.9201) \times (16,705,543 \times 1.6303))$  from the adjustment of exercise price from 0.9201 to 1.00 baht per share divided by the compensation to warrant holders equals to 4.2136 baht per share  $(5.2136 - 1.00)$

$$\begin{aligned}\text{Share 1} &= (\text{Price 1} - \text{Price 0}) \times (\text{Warrant} \times \text{Ratio 0}) / (\text{MP} - \text{Price 1}) \\ &= (1.00 - 0.9201) \times (16,705,543 \times 1.6303) / (5.2136 - 1.00) \\ &= 516,442\end{aligned}$$

The new exercise ratio which is adjusted to compensate to the warrant holder equals to 1.6612 shares per 1 unit of warrant (Ratio 1)

$$\begin{aligned}\text{Ratio 1} &= ((\text{Warrant} \times \text{Ratio 0}) + \text{Share 1}) / \text{Warrant} \\ &= ((16,705,543 \times 1.6303) + 516,442) / 16,705,543 \\ &= 1.6612\end{aligned}$$

Therefore, the exercise price and ratio will change as below.

SIMAT-W1	Before adjust	After adjust
Exercise price (Baht per share)	0.9201	1.0000
Exercise ratio (per 1 unit of warrant)	1.6303	1.6612

According to the Board of Director Meeting No. 3/2014, the new exercise price and ratio are effective since July 21, 2014.

The board meeting agreed to adjust the exercise price and ratio as proposed.

The Chairman asked the shareholder for those who want to vote for "Disagree" or "Abstain" to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	154,194,925 votes, or 100%
Disapproved	0 votes, or 0%
Abstained	0 votes, or 0%

In Agenda 2, there were 27 shareholders attended the meeting by themselves and 8 shareholders attended the meeting by proxy. The total number of shareholders who attended the meeting is 35 persons or counted as 154,194,925 shares

**Resolution:** The meeting unanimously resolved to adjust the exercise price and ratio of SIMAT-W1 as proposed.

**Agenda 3: To consider and approve the decrease of the registered capital from Baht 394,408,344 to Baht 367,406,381 and to approve the amendment of the Company's Memorandum of Association no. 4 in compliance with the capital decrease**

The Chairman assigned Mr. Thammanoon Korkiatwanich, Company secretary, to explain the details. Mr. Thammanoon explained that the Board of Directors agreed to propose the shareholders to consider and approve the decrease of the registered capital from the existing registered capital of Baht 394,408,344 to Baht 367,406,381 at the par value of Baht 1 each to write off the remaining share of 1,963 shares from the issuance of the previous stock dividend and the unissued common share reserved for General Mandate of 27,000,000 shares. And approve the amendment of Clause 4 of the Memorandum of Association to be in accordance with the capital decrease, as follow:

Clause 4

Registered capital of 367,406,381 baht

(Three-hundred sixty-seven million four hundred six thousand three hundred and eighty-one Baht)

Divided into 367,406,381 shares

(Three-hundred sixty-seven million four hundred six thousand three hundred and eighty-one shares)

With the par value of Baht 1 (one) each

Categorized into

Ordinary shares of 367,406,381 shares

(Three-hundred sixty-seven million four hundred six thousand three hundred and eighty-one shares)

Preference shares of - None -

The Board of Directors agreed the decrease of the registered capital and amendment of the Company's Memorandum of Association as proposed.

The Chairman asked the shareholder for those who want to vote for "Disagree" or "Abstain" to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved 154,194,930 votes, or 100%

Disapproved 0 votes, or 0%

Abstained 0 votes, or 0%

**Resolution:** The meeting unanimously resolved to approve the capital decrease and the amendment of the Company's Memorandum of Association no. 4 in compliance with the capital decrease as proposed.

**Agenda 4: To consider and approve the capital increase by General Mandate by issuing the new ordinary shares of 27,000,000 shares, at the par value of Baht 1 each to the private placement**

The Chairman assigned Mr. Thammanoon Korkiatwanich, Company secretary, to explain the details.

Mr. Thammanoon explained that the Board of Directors Meeting has resolved to propose to the Shareholders' meeting for approval of the capital increase by General Mandate by issuing and offering of 27,000,000 shares at a par value of Baht 1 per share to the private placement. The offered price will be no less than 90% of the weighted average market price of the Company's shares. The Board of Directors is designated to consider the allocation of the increased share capital, one time or several, not exceeding 10% of the paid-up capital of the Company upon the date at which the Board of Directors has a resolution to approve the capital increase, including the offer price and period and other details and terms related to the capital increase. Such capital increase is to be complete prior to the next Annual General Meeting of the Company's shareholders or within the period enforced by law to have the next Annual General Meeting of the Company's shareholders, whichever come first.

The capital increase by General Mandate will support the Company to raise the capital conveniently and reduce the process, time and cost as the shareholder's meeting is not required. This capital increase is reserved in case the Company has the project with government or multi-national company.

The Board of Directors agreed to approve the capital increase by General Mandate.

The Chairman asked the shareholder for those who want to vote for "Disagree" or "Abstain" to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	154,194,769	votes, or 99.99%
Disapproved	161	votes, or 0.01%
Abstained	0	votes, or 0%

**Resolution:** The meeting by majority of total votes resolved to approve the capital increase by General Mandate by issuing the new ordinary shares of 27,000,000 shares, at the par value of Baht 1 each to the private placement as proposed.

**Agenda 5:** To consider and approve the increase of the registered capital for Baht 27,516,442, divided into 27,516,442 common shares at the par value of Baht 1 each, from the existing registered capital of Baht 367,406,381 to Baht 394,922,823 at the par value of Baht 1 each to accommodate the right adjustment of the warrant (SIMAT-W1) and the capital increase by General Mandate. And approve the amendment of Clause 4 of the Memorandum of Association to be in accordance with the capital increase

The Chairman assigned Mr. Thammanoon Korkiatwanich, Company secretary, to explain the details.

Mr. Thammanoon explained that the Company will increase the registered capital for Baht 27,516,442 divided into 27,516,442 common shares at the par value of Baht 1 each, from the existing registered capital of Baht 367,406,381 to Baht 394,922,823 at the par value of Baht 1 each to accommodate the right adjustment of the warrant (SIMAT-W1) and the capital increase by General Mandate. And approve the amendment of Clause 4 of the Memorandum of Association to be in accordance with the capital increase, as follow:

Clause 4

Registered capital of 394,922,823 baht

(Three hundred ninety-four million nine hundred and twenty-two thousand eight hundred and twenty-three Baht)

Divided into 394,922,823 shares

(Three hundred ninety-four million nine hundred and twenty-two thousand eight hundred and twenty-three shares)

With the par value of Baht 1 (one) each

Categorized into

Ordinary shares of 394,922,823 shares

(Three hundred ninety-four million nine hundred and twenty-two thousand eight hundred and twenty-three shares)

Preference shares of - None -

The Board of Directors agreed to approve the increase of the Company's registered capital.

The Chairman asked the shareholder for those who want to vote for "Disagree" or "Abstain" to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	154,194,770 votes, or 99.99%
Disapproved	0 votes, or 0%
Abstained	160 votes, or 0.01%

**Resolution:** The meeting by majority of total votes resolved to approve the increase of the registered capital from the existing registered capital of Baht 367,406,381 to Baht 394,922,823 and the amendment of Clause 4 of the Memorandum of Association to be in accordance with the capital increase as proposed.



**Agenda 6: To consider and approve the allotment of newly issued ordinary shares of 27,516,442 shares at a par value of Baht 1 per share reserved for right adjustment of warrant (SIMAT-W1) and capital increase by General Mandate for private placement**

The Chairman assigned Mr. Thammanoon Korkiatwanich, Company secretary, to explain the details. Mr. Thammanoon explained that the Board of Directors agreed to propose the shareholders to consider and approve the allotment of 27,516,442 newly issued ordinary shares at a par value of Baht 1 per share. The details of the allotment are as follows:

1. Allotment of 516,442 ordinary shares at a par value of Baht 1 per share to accommodate the right adjustment of the warrant (SIMAT-W1)
2. Allotment of 27,000,000 ordinary shares at a par value of Baht 1 per share for the capital increase by General Mandate for Private Placement.

And to authorize the Board of Directors and/or authorized director and/or person designated by the Board of Directors to be empowered to consider and/or amend conditions related the allotment and shares offering as well as to sign any related agreements or documents, and perform any other necessary acts related to the offering of the allotment.

The Board of Directors agreed to approve this allocation of the increased ordinary shares.

The Chairman asked the shareholder for those who want to vote for “Disagree” or “Abstain” to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	154,194,769	votes, or	99.99%
Disapproved	161	votes, or	0.01%
Abstained	0	votes, or	0%

**Resolution:** The meeting by majority of total votes resolved to approve the allotment of newly issued ordinary shares of 27,516,442 shares at a par value of Baht 1 per share reserved for right adjustment of warrant (SIMAT-W1) and capital increase by General Mandate for Private Placement as proposed.

**Agenda 7: To consider and approve the amendment of the authorized director’s signature**

The Chairman assigned Mr. Thammanoon Korkiatwanich, Company secretary, to explain the details. Mr. Thammanoon explained that to engage any action regarding to the registration with the Ministry of Commerce, which requires the signature of the foreign director who resides in Malaysia with the signature of Thai director, it causes inconvenience and late registration. The Board of Directors agreed to amend the signature of the authorized director who can sign on behalf of the Company from “Mr. Thongkam Manasilapapan, Mr. Thammanoon Korkiatwanich, Mr. Tan Bak Hong and Mr. Tan Bak Leng, two of the four

directors can both sign with company stamp on behalf of the Company except for the registration with the Ministry of Commerce that only Mr. Thongkam Manasilapapan sign together with Mr. Tan Bak Hong or Mr. Tan Bak Leng can sign with company stamp” and amend as below.

“Mr. Thongkam Manasilapapan, Mr. Thammanoon Korkiatwanich, Mr. Tan Bak Hong and Mr. Tan Bak Leng, two of the four directors can both sign with company stamp on behalf of the Company”

The Board of Directors agreed to approve the amendment of the authorized director’s signature.

The Chairman asked the shareholder for those who want to vote for “Disagree” or “Abstain” to raise their hands then the officer collected their voting card to count their votes and deduct from the total votes of the total shareholders.

The voting result for this agenda is as below:

Approved	154,194,930	votes, or	100%
Disapproved	0	votes, or	0%
Abstained	0	votes, or	0%

**Resolution:** The meeting unanimously resolved to approve the amendment of the authorized director’s signature as proposed.

**Agenda 8: Other business (if any)**

No any agenda was proposed.

The Chairman closed the meeting and gave the thank speech to all attendants for joining this meeting and provided some beneficial comment to the Company.

The meeting closed at 12.00 O’clock.

Signed\_\_\_\_\_

(Mr. Thongkam Manasilapapan)

Chairman of the meeting

Signed\_\_\_\_\_

(Mr. Thammanoon Korkiatwanich)

Company Secretary